



August 2019

## **Janesville Transit System**

### **2020-2022 DBE Goal and Small Business Participation**

Janesville Transit System's overall DBE goal for fiscal years 2020-2022 is set at 3% of the Federal financial assistance. We determined this goal using a two-step process. This process included all available DBEs for anticipated contracts for the fiscal years of 2020-2022 within the local market area, and past DBE participation.

#### **Identifying Local Market Area:**

Janesville Transit lies near the border of Wisconsin and Illinois and within a 50-mile radius of larger metropolitan cities. Initially, based on our locale JTS staff determined to use a seven-county region as our LMA to include from Wisconsin, the counties of Rock, Green, Walworth, Dane and Jefferson; and from Illinois the counties of Winnebago and Boone. Research from the Wisconsin UCP and the Illinois UCP revealed no DBE's for the six-digit NAICS Codes correlating to the contract opportunities we were anticipating. We then considered the types of contract opportunities we anticipated could be served by a broader base. JTS staff determined to include the entire state of Wisconsin and Illinois as the Local Market Area.

#### **Step 1: Developing the base figure:**

To develop a base figure JTS staff did the following:

1. Identified the types of contract opportunities and budget to be bid during the 2020-2022 Triennial; and identified coordinating six-digit NAICS codes.
2. Using UCP directories for WI and IL, JTS Staff identified the number of DBE firms available to perform work in the area. In determining the number of DBE and non-DBE firms in the area JTS considered all State of Wisconsin firms and Illinois firms.
3. This was contrasted with the total number of all firms (DBE and non-DBE) available to perform work in the same area. JTS staff used the Census.gov Economic Census to identify the total number of DBE and non-DBE firms.

#### **Step 2: Weighted base figure and Past participation:**

1. JTS Staff completed a weight-based figure spreadsheet which is included near the end of this document. Each contracting opportunity was weighted based on the anticipated dollar amount of the contract and the percentage of DBE firms available to perform work in the region.
2. Past Participation: The methodology contained in the weight-based figure worksheet produced a DBE goal of 2.6%. We further determined that the contract opportunities for the 2020-2022 triennial will be very similar to those of the past triennial, those being printing, tires, fuel, paratransit, TDP Consultation and uniforms & rugs. Once the DBE base figure of 2.6% was determined, JTS staff examined past DBE participation to determine if this figure should be adjusted.

In FY2019, JTS had 0% participation, FY2018 JTS had 0% participation, FY2017 JTS had 7% DBE participation, FY2016 JTS had 0% DBE participation. Based on the historical median level of DBE participation it was determined that the base figure needed to be adjusted. Seeking the historical median of the four years we added the two middle years; the 0% for FY2018 and the 7% of FY2017, then divided the sum of 7% by 2 for an average of 3.5%. To make the adjustment the 3.5% historical median was added to the base figure of 2.6% and divided by two. The resulting quotient was 3.05%, which was rounded to 3%. Based on the percentage of DBE firms available to perform work in the identified local market area and the percentage of past DBE participation JTS believes the 3% is an acceptable and attainable goal.

#### **Methods for meeting Small Business, DBE Race/Gender neutral participation and RN/RC Split**

JTS staff calculated the DBE Race Neutral/Race Conscious (RN/RC) Split using the following methodology:

1. Using the past three FY Race Neutral Attainments we averaged the results (identified above) 0%, 0%, 7% = 2.33% as Race Neutral Attainment
2. Using the Race Neutral Attainment of 2.33% we divided by the DBE attainment of 3% for the quotient of .78% reflecting our Relative Race Neutral Attainment
3. Then, using the Relative Attainment of .78% we multiplied by the DBE Overall Goal of 3% giving us a product of 2.34% as our Absolute Race Neutral Attainment
4. Finally, we subtracted the Absolute Race Neutral Attainment of 2.34% from our Proposed Overall Goal of 3% to give us a Split of .66%

We determined that we can expect to achieve 2.34% of our Overall Goal through Race Neutral means.

JTS plans to achieve the 3% goal through race/gender neutral means. It shall do so by making request for proposals (RFPs) or bids attractive to DBEs. In order to make RFPs and bids attractive JTS may reduce or simplify bonding requirements and/or offer technical assistance to DBE firms. JTS will also include an element in each RFP or bid that addresses the organization's 3% race/gender neutral goal and encourage potential proposers to use DBE subcontractors. In Addition, JTS will make every effort to inform all willing and able DBE firms aware of any contracting opportunity and will distribute DBE directories to any prime contractors awarded a contract.

JTS acknowledges it may be difficult to successfully secure DBE contractors and subcontractors through race/gender neutral means and understands it may be necessary to use race/gender conscious means in order to attain the 3% goal. If JTS does not project to attain the 3% DBE participation goal using race neutral measures and determines it necessary to use race/gender conscious means to attain the goal as indicated above in Race Neutral/Race Conscious Split, it shall do the following:

1. JTS will require Bidders to unbundle large contracts.
2. Ensure Prime Contracts are sized for Small Businesses. Evaluate each contract opportunity separately and decide, based on the scope of work and availability of DBEs to perform work activities, whether to set a goal for race/gender conscious or race/gender neutral participation.
3. Require Primes to Subcontract with Small Businesses
4. If a specific race/gender conscious goal is developed for a contract, the RFP will require bidders to explain how they propose to achieve the specific goal. Bidders must show a good faith effort in achieving the goal, and include documentation of efforts if they are unable to achieve the goal. The RFP will clearly state the goal is race/gender conscious.
5. The City of Janesville will send solicitations directly to certified DBE firms.
6. JTS will offer DBE directories to any proposer to help ensure their ability to secure DBE participation.

### **Consultation, Public Involvement and Publication**

The Janesville Transit System pursues public participation through consultation and inquiry with various contractor groups and community organizations. JTS identifies DBE organizations through the WisDOT UCP Directory and the Illinois UCP. JTS Staff reached out to contractor and community groups through email, telephone and personal contact. A copy of outreach material is included below.

This DBE participation goal will be posted on JTS website. A letter was sent inviting consultation with organizations from our geographic region such as; Janesville Economic Development Director, Community Action, Forward Janesville, Janesville Women's Club, Latino Service Provider Coalition, Rock County Alliance, South Central Wisconsin Builders Association, and Southwest Wisconsin Workforce Development Board. The letter made the offer and contact information for in-person meetings and stated where the draft goal may be reviewed, and further invited individuals and organizations to comment on the goal and the goal setting process.

The City of Janesville currently maintains information about past bidders. The City of Janesville will continue to maintain a list of bidders, consisting of information about all DBE and non-DBE firms that bid or quote on DOT assisted contracts. The information collected includes business contact information, class of work the business performs and/or materials or services supplied, and DBE and race neutral small business status. This information will be gathered from attendees at outreach and consultation meetings with stakeholders as well as from all bid submissions for prime or subcontracts. The purpose of this is to track the use of contractors in calculating overall DBE participation. The JTS Disadvantage Business Enterprises Liaison Officer (DBELO) will track DBE participation and will seek ways to increase DBE participation. JTS will publish the DBE goal on the City of Janesville website.

## **Monitoring and Enforcement Mechanisms**

The Janesville Transit System will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 26.

1. We will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.109.
2. We will consider similar action under our own legal authorities, including responsibility determinations in future contracts.
3. We will also provide a monitoring and enforcement mechanism to verify that work committed to DBEs at contract award is actually performed by the DBEs. This will be accomplished by requiring proof of certification be submitted before a contract is awarded. Firms may not self certify. The City of Janesville and the Janesville Transit System reserve the right to monitor work sites for compliance and review contracting records.
4. JTS will review and ensure actual payments to DBE firms for work committed to them at the time of contract award.

## **Goals, Good Faith Efforts, and Counting**

JTS does not use quotas in any way in the administration of this DBE program. The methodology section of the program will be updated triennially. We will publish a notice of the proposed overall goals, informing the public that the proposed goal and its rationale are available. The notice will also serve as outreach to solicit interested businesses. We will begin using our overall goal on October 1 of each year, unless we have received other instructions from DOT. If we establish a goal on a project basis, we will begin using our goal by the time of the first solicitation for a DOT-assisted contract for the project.

## Base Figure Worksheet

2020-2022							
Contracting Opportunity	Anticipated Federal Share	Weight of Total \$ Projects	NAICS	# of Available DBE firms	Total # of All Firms	% of Available DBE firms Base Figure	Total Weighted Base Figure
Printing Services	\$ 23,594.71	0.0583	323111	9	1553	0.58%	0.0338%
Tires Contract	\$ 20,393.78	0.0504	441320	1	874	0.11%	0.0058%
(Freight delivery for tire contract)	\$ 2,265.98	0.0056	484110	57	4043	1.41%	0.0079%
Fuel	\$ 239,032.60	0.5911	424710	0	226	0.00%	0.0000%
Paratransit	\$ 82,131.59	0.2031	485991	21	191	10.99%	2.2331%
TDP Consultant	\$ 23,567.19	0.0583	541614	26	527	4.93%	0.2875%
Uniform & Rug service	\$ 13,397.82	0.0331	812332	1	101	0.99%	0.0328%
Total	\$ 404,383.67	1.00		115	7515	1.53%	2.60%